

BOSTON REDEVELOPMENT AUTHORITY

REPORT AND DECISION ON THE APPLICATION OF WAIT STREET ASSOCIATES FOR THE AUTHORIZATION AND APPROVAL OF A PROJECT UNDER MASSACHUSETTS GENERAL LAWS (TER.ED.) CHAPTER 121A AS AMENDED, AND CHAPTER 652 OF THE ACTS OF 1960, TO BE UNDERTAKEN AND CARRIED OUT BY A LIMITED PARTNERSHIP ORGANIZED PURSUANT TO M.G.L., C. 109, AND APPROVAL TO ACT AS AN URBAN REDEVELOPMENT LIMITED PARTNERSHIP UNDER SAID CHAPTER 121A.

A. The Hearing. A public hearing was held at 2:15 p.m. on July 17, 1980, in the offices of the Boston Redevelopment Authority (hereinafter called the "Authority"), at City Hall, Room 921, Boston, Massachusetts 02201, by the Authority on an Application (hereinafter called the "Application"), filed by Francis D. Burke on behalf of Wait Street Associates for authorization and approval of a redevelopment project under Chapter 121A of the General Laws of the Commonwealth of Massachusetts and Chapter 652 of the Acts of 1960, as amended, (hereinafter called the "Project"), due notice of said hearing having been given previously by publication on July 8, 1980, and July 15, 1980, in the Boston Herald American, a daily newspaper of general circulation published in Boston and mailing postage prepaid in accordance with Rule 4 of the Rules and Regulations of the Authority for securing approval of Chapter 121A projects, and in accordance with the provisions of Section 13 of Chapter 652 of the Acts of 1960, as amended. Robert L. Farrell, Chairman of the Authority, James G. Colbert, Joseph J. Walsh, James K. Flaherty and James E. Cofield, Jr., members of the Authority, were present at the hearing.

B. The Project. The proposed development area is located on four parcels of land in the Fenway section of Boston and known as 1 to 5 Peterborough Street, 9 to 23 Wait Street and 768 to 782 Huntington Avenue. A full metes and bounds description can be found in the Application.

The Applicant is not the present owner of the parcels but has an option to purchase each of the parcels constituting the Project Area. The present owners of the Project Area are One Peterborough Street Trust and RIC-TRI Trust.

The Project consists of the acquisition of the Project Area and the rehabilitation of the Project Area into housing for low income and elderly, all of whom shall be eligible for rental subsidies pursuant to the Department of Housing and Urban Development Section 8 rental subsidy program. The Project will contain seventy-one (71) one-bedroom units, twenty (20) two-bedroom units and nine (9) efficiency units. The appurtenant facilities will include community space, laundry rooms, and landscaping. Attached to the Application as Exhibit 2 is a site plan for the Project Area, and Exhibit 3 to the Application contains floor plans and elevations for the buildings and outline specifications showing generally the character and quality of the construction to be used.

C. Authority Action. In passing upon the Application, the Authority has considered the Application itself, all documents, plans and exhibits filed therewith or referred to therein, the oral evidence presented at the hearing, the exhibits offered in evidence at the hearing, and arguments and statements made at the hearing.

D. Project Area. The Project as defined in the Application constitutes a "Project" within the meaning of Section 1 of Chapter 121A of the General Laws, providing, as it does, for the acquisition, rehabilitation and construction in a substandard and decadent area of decent, safe, and sanitary housing for low income and elderly individuals.

The Project Area is decadent and substandard, as those terms are defined in Section 1 of Chapter 121A, because all of the buildings therein are out of repair, physically deteriorated and dilapidated

and (with the exception of the building located at 1 and 5 Peterborough Street which is presently occupied) unfit for human habitation.

Five of the six buildings are boarded up because they are structurally unsafe and badly in need of extensive rehabilitation. These five buildings have been broken into and vandalized and have suffered extensive interior damage. Not only do the existing plumbing and heating as well as electrical systems need replacing or major repairs, but substantial exterior work on the buildings would be required for suitable occupancy. The lone parcel which is presently occupied, located at 1 to 5 Peterborough Street although marginally suitable for occupancy, requires substantial work to restore the existing units to a profitable operation.

Since the Project Area is in close proximity to family housing, the Project Area threatens the continued stability of the surrounding neighborhood.

The Site would not be developed without the real estate taxes being limited to a percentage of the project's estimated gross annual income, evidenced by the requirement of the mortgage lender attached to the Application. Percentage levels as a basis for taxation can only be lawfully agreed to by the City of Boston under G.L. Chapter 121A and Chapter 6A. These conditions and other factors referred to in the Application and this Report and Decision warrant the carrying out of the Project in accordance with Chapter 121A.

For these reasons it is found that the Project Area is a decadent and substandard area within the meaning of Chapter 121A, as amended.

It is unlikely that the conditions will be remedied by the ordinary operations of private enterprise.

The Project will provide substantial financial return to the City of Boston. The amounts to be paid in lieu of real estate taxes by the Applicants are set forth in the Application. There shall be paid to the City of Boston a percentage payment in lieu of real estate taxes, in each of the forty (40) calendar years after approval of the Project.

The Authority is aware that substantial real estate tax arrearages exist for the properties within the Project Area and that the Applicant is in the process of negotiating with the Commissioner of Assessing for the City of Boston for abatement of such arrearages. The approval of the Project granted by the Authority is conditioned upon:

(1) the placement in escrow by Wait Street Associates with an escrow agent satisfactory to the Authority of an amount equal to the remainder of unpaid real estate taxes, together with an amount sufficient to cover such interest as may accrue within nine months, such amount shall be in a form acceptable to the Director; and

(2) the payment in or within nine months from the date of initial closing for the mortgage loan of the Project of all amounts of outstanding real estate taxes, plus interest. In the event that the conditions contained in this paragraph are not complied with, then the action of the Board is null and void, without further action on the part of the Authority.

Cost of the Project. In the opinion of the Authority, the cost

the Project has been realistically estimated in the Application
the Project is practicable.

The estimated minimum cost of the Project will be approximately
r Million, Two Hundred Seventy Thousand Seven Hundred Ninety-One
,270,791) Dollars. The major source of financing is anticipated
be an MHFA mortgage of approximately \$3,843,712.00. The Applicant
o estimates that the equity requirements for the Project over the
tgage will be approximately \$427,079.00.

The terms of the permanent loan shall be forty (40) years. For
ther details on the amounts, terms and conditions of the Applicants
ancing, reference is made to Exhibit No. 5 of the Appendix to the
lication where the Application MHFA Firm Commitment for financing
located.

The Project will be assisted by rent supplements under Section 8
the U.S. Housing Act for 100% of the Units. Under the Section 8
gram the United States Department of Housing and Urban Development
JD") pays the amount of the market rents for an apartment which

exceeds 25% of the tenants income.

The following are all the persons, natural or corporate, who, prior to the completion of the Project, have or will have, directly or indirectly, any ownership interest in the Project:

General Partner of the Applicant: Francis D. Burke
Investors who will be admitted as
limited partners in Wait Street
Associates.

U.S. Department of Housing and Urban Development

The Applicant expects the Investing limited partners to pay into the capital account of the partnership funds which will be required for the Project to meet expenses of the Project. The Applicant shall, however, have the right to admit additional general partners upon request and approval of the Authority. The terms of sale of the limited partnership interest shall require that all purchasers comply with the pertinent sections of Chapter 121A Rules and Regulations. Experience with similar financing and organization methods persuades the Authority that the financial program is realistic.

Unless prevented or delayed by circumstances not reasonably within the control of the Applicant, construction will commence within thirty (30) days after conveyance of the Project Area to the Applicant, Initial Closing of the MHFA construction loan and expiration of applicable waiting periods.

The Applicant anticipates that the project will be substantially completed within Sixteen (16) months.

F. Consistence with Master Plan. The Project does not conflict with the Master Plan for the City of Boston. The Master Plan, attached to the Application contemplates multi-family housing in the area in which the Project sites are located and the Project is therefore consistent with the Master Plan.

G. Effect of the Project. The Project will not be in any way detrimental to the best interests of the public or the City of Boston or to the public safety and convenience and is not inconsistent with the most suitable development of the Project Area neighborhood or of the City. The Project will, in fact, forward the best interest of the City and will constitute a public use and benefit. The Plans of the structure to be rehabilitated within the Project Area have been reviewed by the Design Review Staff of the Authority. The Authority finds that this Project will enhance the general appearance of the area and will furnish attractive and necessary landscaping and provide much needed low income and elderly housing in the Fenway section of the City. The Project will have a positive economic impact on the neighborhood surrounding the Project Area and on the City of Boston. During construction of the Project, the Applicant will be required, to the best of its ability, to grant preference in hiring to Boston residents. These employment opportunities will constitute a public use and benefit.

H. Environmental Considerations. Pursuant to the provisions of regulations implementing the Massachusetts Environmental Policy Act, 301 CMR 10.32 (3)(h), the Project has been categorically excluded from the filing of any environmental report.

In order to avoid or minimize any damage to the environment, the Authority hereby requires that the applicant comply with the City of Boston Air Pollution Control Commission's Regulations for the Control of Noise and Regulations for the Control of Atmospheric Pollution during all phases of construction activity. Furthermore, if the rehabilitation involves any abrasive blasting of interior or exterior surfaces, the contractor must submit an application for an Abrasive Blasting Permit to the City of Boston Air Pollution Control Commission prior to initiation of such activity.

I. Minimum Standards. The minimum standards for financing, construction, maintenance and management of the Project as set forth in Appendix 3 filed with and attached to the Application, are hereby adopted and imposed as Rules and Regulations (in addition to those hereinafter adopted and imposed) applicable to this Project for the same period as the Project is subject to the provisions of Chapter 121A of the General Laws and Chapter 652 of the Acts of 1960, as amended.

In addition to the minimum standards set forth in Appendix 3 the Authority hereby requires that the Applicants, prior to obtaining a building permit, (1) enter into a Regulatory Agreement with the Authority pursuant to the requirements of General Laws, Chapter 121A Section 18C, and containing such other terms and conditions as the Authority may in its discretion deem necessary and appropriate; (2) submit to the Authority for its review and approval all plans and specifications for the Project as the Authority may require and accept such changes and modifications thereto as the Authority may deem necessary or appropriate, and (3) adhere to such design review controls and requirements as the Authority may in its discretion impose.

Except for the building located at 1 to 5 Peterborough Street the carrying out of the Project by the 121A Limited Partnership will not involve the rehabilitation of any building which is presently occupied in whole or in part but rather involves vacant dwellings. With respect to the parcel located at 1 to 5 Peterborough Street, the Applicant intends to commence construction on 5 Peterborough Street after temporarily relocating five families which will leave that building empty, and will not commence construction on One Peterborough Street until such time as the tenants occupying those dwellings may

be relocated to other apartments in the Project which have been completed and are suitable for occupation.

The carrying out of the Project will not require the grant of a permit for the erection, maintenance and use of a garage within 500 feet of one or more buildings occupied in whole or in part as a public or private school having more than 50 pupils, or as a public or private hospital having more than 25 beds, or as church.

The Project does not involve the construction of units which constitute a single building under the State Building Code and zoning laws, G.L. c.138, therefore the Project will not require a declaration that any of the buildings involved in the rehabilitation constitute a separate building for the purpose of the above-referred to law.

J. Zoning Code Deviations. The Applicant does not request any deviations from the Zoning Code of the City of Boston.

K. Duration of Period of Tax Exemption. The Applicant requests an extension of twenty-five (25) years to the base term of fifteen (15) calendar years for the Project's period of tax exemption pursuant to the provisions of Section 10 of Chapter 121A as amended by Chapter 827 of the Acts of 1975.

The Project is designed for housing for persons of low and moderate income which housing shall be subsidized under federal programs to assist the construction/rehabilitation of low or moderate income housing. For these reasons, the extension is hereby granted.

L. Decision. For all the reasons set forth in the foregoing report, the Authority hereby approved the undertakings by the Applicant of the Project pursuant to Chapter 121A of the General Laws and Chapter 652 of the Acts of 1960, subject to the provisions as set forth above.

July 31, 1980

MEMORANDUM

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: ROBERT J. RYAN, DIRECTOR

SUBJECT: CHAPTER 121A APPLICATION OF WAIT STREET ASSOCIATES

On July 17, 1980, the Authority conducted a public hearing to consider the above-captioned 121A Application.

The Project consists of the acquisition of the Project Area, rehabilitation, operation and maintenance of the four parcels into one hundred units of low-income housing for the elderly and appurtenant facilities. The parcels are located in the Fenway section of Boston and known as 1 to 5 Peterborough Street, 9 to 23 Wait Street and 768 to 782 Huntington Avenue.

Authority staff has examined the Application and found that it contained sufficient evidence in support of the Project to make those findings and determinations necessary to proceed with the approval of the Project.

It is therefore recommended that pursuant to Chapter 121A of the General Laws, the Authority adopt the Report and Decision approving the Project.

An appropriate vote follows:

VOTED: That the document presented at this meeting entitled "Report and Decision on the Application of Wait Street Associates for the Authorization and Approval of a Project under Massachusetts General Laws (Ter.Ed.) Chapter 121A, as Amended, and Chapter 652 of the Acts of 1960, to be Undertaken and Carried Out by a Limited Partnership Organized Pursuant to M.G.L. c. 109 and Approval to Act as an Urban Redevelopment Limited Partnership Under said Chapter 121A" be and hereby is approved and adopted.

